

APR - 4 1952

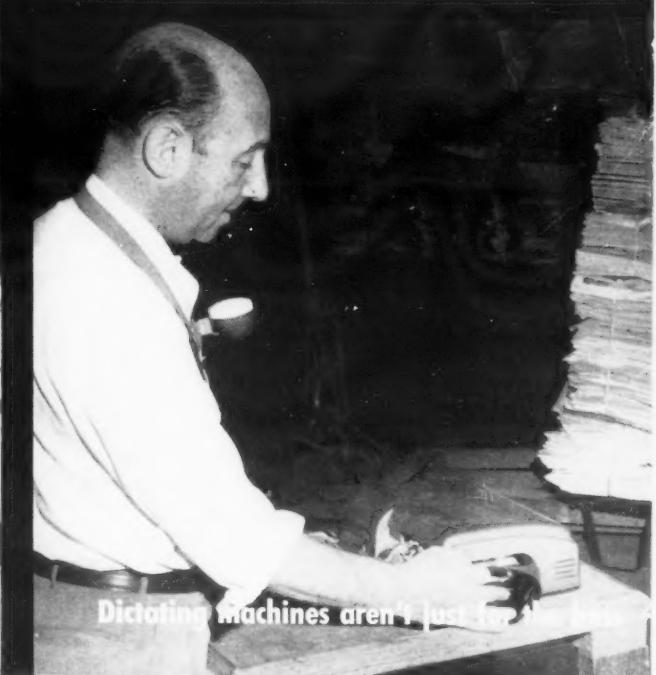
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April 1952

Management

methods

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Management

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APRIL, 1952

VOL. 1, NO. 5

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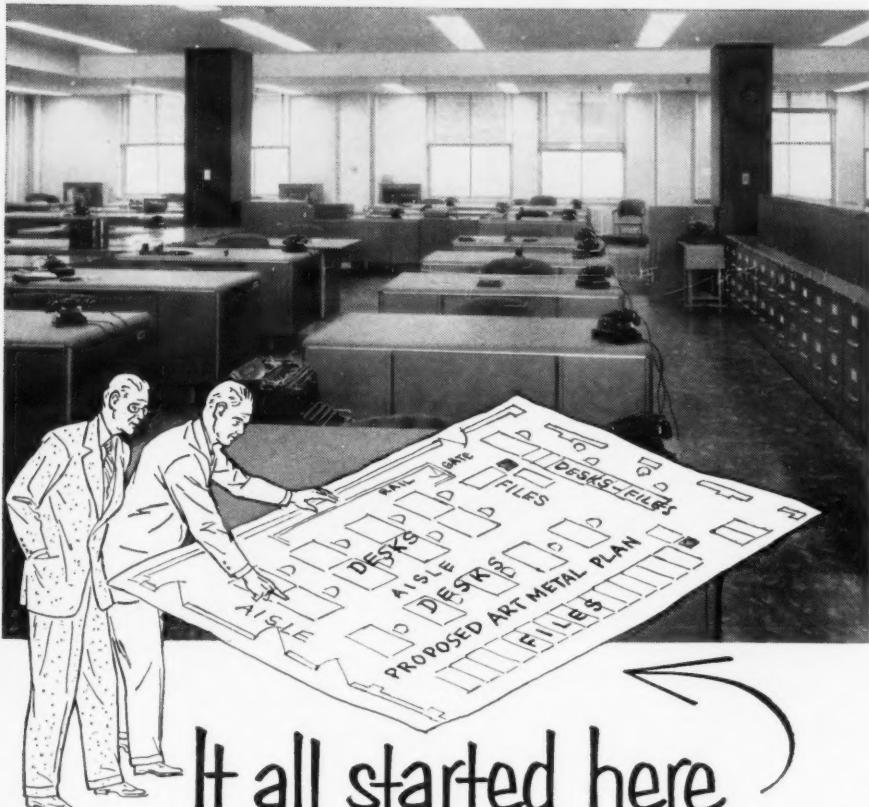


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"I think..."

PROS AND CONS TO THE EDITOR

More on typing pools

Dear Mr. Editor:

We are somewhat surprised at your publication's answer to the question regarding a central typing pool, (METHODS, February 1952, Page 4).

Stenography (i.e., shorthand) is undoubtedly among the least efficient and most expensive methods of handling dictation. It is possible that a central stenographic department such as you appear to describe in your answer could be more efficient than individual stenographers assigned to one or more executives. We doubt that is true in very many cases. However, the idea of solving a secretary shortage by this method is certainly far-fetched in light of more modern methods.

While the central pool idea, using individual dictating equipment and typewriters, is a far more efficient solution where the work load is relatively heavy and constant, it is not the only solution and under present day circumstances it is quite commonly rather inefficient.

Basic inefficiencies common to central typing pools equipped with individual dictating instruments are (1) fluctuating work load due to the fact that incoming work is picked up at intervals, (2) the requirement as stated in your own answer of supervision over the pool and (3) remoteness from the dictator.

These problems and many others are overcome with efficient remote control dictating facilities.

While a remote dictating system lends itself admirably to pool operation, intrinsically it has all of the advantages of the pool set-up even without physical centralization. Because work comes instantaneously to the secretary's desk as it is dictated, peak loads are completely eliminated and the secretary knows exactly where she stands at all times. Because one secretary with a remote recorder ordinarily serves a specific group of dictators, frequently a single department of a business, and because the work flow is constant and even, a secretary in a correctly analyzed set-up needs no supervision whatsoever. The inherent characteristics of the system itself are such as to perform automatically all of the functions that would normally be required of a supervisor. Moreover, the secretary is frequently near the dictator and can aid him on filing, etc.

It can readily be proved from existing case histories of installations that work is easily dispatched in the mail two hours after dictation, or less, with less secretarial help and effort than is required by any other system.

For example, one large insurance company had been hiring a number of secretaries every week to replace those who left, but when remote system was installed they found it unnecessary to hire additional help for some time. One department of a railroad had required considerable part time help. After the installation of remote system, not only was the part time help eliminated but one of the regular secretaries was transferred to another department. Such occurrences are very common.

It is for the reasons above that we believe any discussion of secretarial reorganization which omits the principles of remote control dictation is "obsolete" from a methods viewpoint.

JOHN E. SLOANE
Director of Advertising
Thomas A. Edison, Incorporated

Silk vs. nylon ribbons

Dear Mr. Editor:

On page 9 of your March issue of METHODS you mention that the introduction of nylon typewriter ribbons has served to reduce the wear and tear of these machines on a typewriter ribbon.

This statement may be a little misleading, for the opinions regarding the value of nylon ribbons are far from unanimous. Many of us are convinced that a silk ribbon, with its greater ink retentive power, is far better than nylon and there are just as many or more people convinced that a fine cotton ribbon for first class correspondence is as good as anything else, if the machine is properly adjusted—that is, for correspondence, not billing. The silk with its thinness and its strength, in addition to its ink carrying capacity, has the advantage of being good for executive correspondence, billing and all grades of typing in between.

HENRY B. HOLMES,
Vice President, Columbia Ribbon and Carbon Mfg. Co., Inc.

methods

How to handle INACTIVE RECORDS

YOU'VE GOT TO KNOW WHAT TO KEEP . . . WHAT TO THROW AWAY

EDITOR'S NOTE: The chart below shows some startling facts about records' handling: on the average, more than 65% of all business records should either be put in a less costly location or destroyed. The cost of such wasteful "paper saving" is staggering. The following article presents factors to be considered in the intelligent planning for the disposition of records at the time they are created, and for the destruction of useless records.

A few years ago, a very large corporation made a detailed survey of its record storage and reference habits. Wisely, they ignored the reasons *why* papers were saved until they could find out *if* the stored papers were ever used. Here's what they found: *Ninety per cent* of all requests for records on file were for those less than six months old. *Only 1% of the requests were for records older than one year.*

Of course, just because a record is old it isn't necessarily ready for the fire. For example, several Federal agencies require that you keep on hand certain records so that they can inspect them from time to time. Other records offer proof of action that might be important in future litigation. The crux of the problem lies in knowing what to save and how to store it.

The Cost of Record Storage

By the most conservative estimate, it costs you \$200 a year simply to

maintain a standard four drawer file. This includes the necessary supplies, the rental for floor space, a file clerk's salary, and the price of the file itself amortized over a ten year period.

Labor, of course, is the biggest factor. A girl can handle just so many filing cabinets. Anything you can do to reduce the number of active filing cabinets in your office, or to improve the operating efficiency of your filing systems, is going to save labor costs.

For example, if 35% of the records you are now storing should be destroyed immediately, and if it costs \$200 a year to maintain a four drawer file, you can save about \$70 per file right now on record destruction alone!

Setting Up a Retention Plan

You can start today. The first step, however, is to place the problem of record control in the hands of a single authority. This person must have executive power. In large companies it's a full time job. In smaller ones, it might be a management man who will delegate his authority and power to a lower echelon employee. The job then becomes one of setting up a program, and constantly checking to see that it is being carried out effectively.

At the outset, it is essential to require that all *new* records produced be classified *at the point of creation*. This will automatically take care of all your future records. Then at your

convenience, you can dispose of your present records by the steps outlined hereafter. Classification of records is the heart of the problem. To be effective, this classification should be simple and quick—perhaps nothing more than a letter or a number at the top of the page indicating the time of retention within the originating department, and the paper's ultimate disposition among other company records.

A workable correspondence coding system is shown here. This code was developed by Niagara Hudson Corporation for use with their record retention plan.

Long Range Planning

Having appointed a Records Of-

ficer and after establishing a classification system to take care of new records, two more steps are necessary before you can actually begin to dispose of records on hand.

First, all company records will have to be counted and identified for further analysis. This is the worst part of the job—and the most necessary. It is only through such an inventory, however, that you will be able to determine the extent of duplication of records in your business, the extent to which records should or should not be decentralized, and the manner in which you will finally dispose of them. At the same time, you can classify the records you have on hand in much the same way as new records are being classified.

Classification of The Records of an Average Business

Less than 10% must be kept permanently.

20% must be retained currently.

30% should be transferred to less costly space.

35% SHOULD BE DESTROYED.

From studies by The National Records Management Council

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- Keep inactive records safe, clean, and accessible the low-cost LIBERTY way. Over 96% of firms are using LIBERTY BOXES. 5 stock sizes for every popular form.

FREE BOOKLET!

- Tells you how long to keep specific records.
- Shows the best procedures in record storage.

BANKERS BOX COMPANY
Established 1918
720 S. Dearborn Street, Chicago 5, Ill.

Circle 218 for more information

The Importance of Classification

In deciding what to do with old records, there is always a danger of destroying too much. Just because you have a single authority empowered to make the final decision, don't make the mistake of assuming that he will always be right. Both the department head from whence a record emanates, and your legal counsel, should be consulted before actual classification is started.

Classification implies that you are going to do one of four things with every record in file: destroy, transfer, hold in active file, or copy the record. But there are other decisions to be made, too. You'll have to decide on how long the record should be held. You'll also have to decide on the type of fire protection that should be given records you plan to hold. The National Fire Protection Association has suggested that this decision be based on the "after-fire" value you place on any given record. For example, vital records needed to recreate a business after a fire should be given maximum fire protection. Less important, but valuable, papers such as those that might be very costly to reproduce should be given some sort of insulated protection, but not as much as vital ones. Decisions of this type must be made in advance by competent people within your firm, and records should be earmarked during a classification operation to indicate where they are to go.

Handling Inactive Records

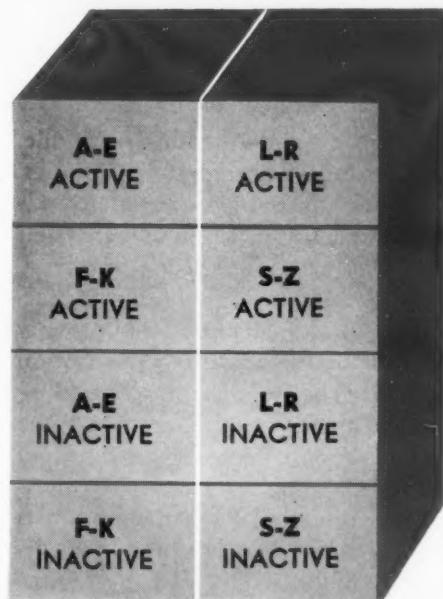
About one third of all your records can be termed "inactive." These are the records you want to keep on hand for possible need, but that you don't want to clutter up your active files. Storage can be accomplished in two ways. The most commonly used is the storage box—an inexpensive container which can be kept in a warehouse or other location where low-rent space is available. Unfortunately, many firms do this job haphazardly. It should be remembered that any record important enough to retain at all should be properly housed and indexed so that you can find it when you want it. It's false economy to use old cartons or to neglect proper indexing. New equipment designed ex-

clusively for this purpose is inexpensive enough to warrant the necessary investment.

Another alternative is microfilming. Increasingly popular, this method combines accessible storage with space-saving since original records may be destroyed after they are filmed. The drastic reduction in storage costs will quickly amortize the cost of microfilming.

How to Transfer Records

There is nothing complicated about transfer. It's simply a system of getting records no longer active into



THE DOUBLE PERIOD PLAN

their proper inactive storage housing. Various systems can be used, and each business must decide which best suits its needs.

1) *One Period Transfer:* Once a year all records are transferred from the active files to the inactive files. For the sake of convenience, index tabs are kept in the files. In other words, it's a bulk move from expensive housing to cheap housing. One obvious disadvantage accrues: during the first few months of the new year, a lot of traffic is required to the storage files since relatively active records go along with the deadwood.

2) *Double Period Transfer:* This is by far the most popular method since it eliminates the disadvantage mentioned above. With this plan, all active filing cabinets are divided into two parts. The top two drawers of a

four drawer file are used for current records. The bottom two drawers are used for records more than one year old but less than two years old. See cut. (These periods may be resolved to six months instead of one year, when desired.)

There's an obvious advantage here. The two top drawers are easiest to use and contain the material most frequently referred to. On the other hand, less active, but occasionally needed papers are right on hand for quick access. Periodically, the records in the top two drawers are put into the lower two drawers and the material in the lower two drawers is moved to storage boxes or microfilmed.

3) *Irregular Period Transfer:* This is most often used by installment houses, attorneys, and hospitals. This method presupposes that a case is "closed" at the end of a given transaction.

4) *Multiple Period Transfer:* This method is used only when it is necessary or expedient to have records handy for more than two years or two periods.

5) *Maximum and Minimum Period Transfer:* This system sets up a maximum and minimum time to keep material in the current file. It is a weeding out process that is continuous and, because it lacks control and routine, is seldom used.

Destroying Old Records

Whenever you transfer a new group of records it's a good idea to label the storage box with the date on which the records can be destroyed. If you microfilm, this step can be eliminated. In most businesses, there is no danger in the destruction process if classification has been properly handled at the outset. With many firms, however, the temptation to save records forever in the storage room seems to be irresistible. A clerk in almost any record archive will tell you that the majority of papers under her control haven't been consulted in years.



EXECUTIVE

thought  started

Portable dictating machine scrambles private messages

Traveling executives of various large corporations are sending back their confidential reports in complete privacy by using a unique message scrambling system. Here's how it works: the traveler carries with him an eleven pound portable dictation instrument which uses paper magnetic discs as a recording medium. A report is dictated into the machine, either in a hotel room, a car or wherever current is available. The paper disc is then folded like an ordinary letter, inserted in any envelope and dropped into the nearest mailbox. At the home office, another instrument, also equipped with a scrambler, is used to transcribe the record. When absolute secrecy is demanded, the recipient can simply listen to the message without having it typed.



The same machine, without a scrambler, can be used for ordinary office dictating. A plastic disc, instead of the paper one, is generally recommended for every day use when mailing is not required. Discs can be easily erased when used, and reused again indefinitely. Simply moving a magnet over the disc, an operation that can be handled in an instant, clears the prior message.

For literature, please Circle number 235 on the Reader Reply Card.



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DICTATING MACHINES

are ~~not~~ just for the boss

"BLUE SHIRT" WORKERS ADAPT MANAGEMENT EQUIPMENT TO SHOP USE

You don't have to be a white collar worker to justify the use of dictating equipment.

Witness the case of the Gaynor News Company, of Mount Vernon, New York. As newspaper wholesalers, they had the problem of counting yesterday's returns, one by one, in order to receive credit from the publishers. It took twelve men, working at five counting tables, anywhere from fifteen to eighteen hours to tabulate the weekly returns. Each table was operated by a man who counted the papers, and another who posted the totals by pencil. Two "movers," whose job it was to carry bundles of newspapers to the tables, were also needed.

All that has been changed. Under the new system, each "counter" wears

a chest microphone. As soon as he has rifled through a batch of papers, he simply speaks the total number, and it is recorded on a dictating machine. The dictated matter is then sent upstairs to the company offices where one girl, using a transcriber, fills out returned credit memos, tabulates the entire return on an adding machine, and submits a final report to the accounting department. The plastic dictating media are then filed in an ordinary cabinet for future reference.

As a result of this mechanization, the labor of the five men who once recorded totals has been saved, and the men have been moved to other jobs where their services were in demand. What's more, all newspapers are now counted within a twelve hour work-

ing period. Gaynor's general manager reports savings of from 25% to 30%.

Shipping Room Application

By installing dictating equipment in their shipping room, the J. L. Hudson Company, of Detroit, Michigan, has been able to facilitate the recording of parcel post shipments. Information on packages rolling down a conveyor belt (addressee, parcel post charges, etc.) is spoken into a chest microphone. This permits a savings of about seven seconds per package, with a resultant monthly saving of 81 man hours over the former method of writing down this information.

Mover Saves \$1500 per Month

In Brooklyn, the Bader Brothers,



Counting newspapers via dictating machine.



J. L. Hudson speeds parcel post shipments by recording.

Inc. Moving & Storage Company, reports savings of \$1500 per month through the installation of dictating equipment for:

- a) Inventory of goods to be stored.
- b) Listing of effects to be moved from one residence to another.

Customer claims were formerly a big problem, but, through the use of dictating equipment, claims are now negligible. This is so because moving men can give a much more complete description of individual items, then have this list typed and signed by the customer before the moving is done. For example, under the old writing system, a scarred table might be listed as "table, marred and scratched." Now, under the new system, a moving man can say, "One table, badly scratched on surface, left leg cracked." A portable dictating unit can be taken into the customer's home and inventory made on the spot.

Develop Your Applications

Just a little ingenuity on the part of workers themselves can produce material savings. It's important, however, that management seek out worker cooperation by informing their personnel of how dictating machines work and their mechanical limitations. It's a subject that must be handled with finesse, of course, since dictating equipment is labor-saving. One good way to get around that problem is to permit your foremen to interview dictating equipment salesman themselves.

One young salesman has applied this idea to his own and his customers' mutual advantage. He says, "As soon as I've sold the Front Office a machine, I ask for an opportunity to wander around in the shop to see if I can dig up new applications. Actually, I can seldom see an application myself. But in talking to workers, I can usually get them to uncover an operation where dictating equipment can do a job better and faster. I have a deal like that cooking right now. I sold a printer a machine for his personal dictation. The day I delivered it, I got him to let me talk to some of his machine composition men during their lunch hour. One of these typesetters told me that he spent at least a half-hour each day writing up and identifying charges for composition so that they could be billed to the right account. They have about twenty men in the comp room, all of whom could be piped into a central unit, permitting them to dictate this material. I took the idea back to the shop foreman, and then to the office manager. It looks like a nice sale—and an easy one—since the equipment will pay for itself in less than a year's time."

For more information on how to apply dictating equipment to "blue-shirt" workers, please circle number 249 on the Reader Reply Card.



Bader Brothers
inventory custom-
ers' furniture by
recording.

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Bell Aircraft has helped solve their problem by installing XeroX copying equipment in the Printing Department. Offset paper masters of engineering drawings, engineering data, specification sheets, office forms, memos, etc., are made by xerography in less than three minutes. Multiple copies are then run off on No. 80 Multilith Duplicators. This combination offers the quickest and most economical duplicating method resulting in savings of ap-

proximately 33 1/3% compared with former method of using metal plates.

Because it is a dry, direct positive copying process requiring no intermediate negative, xerography eliminates the need for a darkroom, plumbing, water, chemicals, and other bulky and costly equipment. No fuss. No muss. No fumes. Simple to operate.

XeroX copying equipment needs only small space in an office. The three compact units fit on a 3' x 5' table.

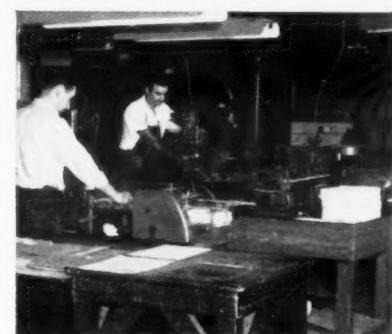
Xerography and offset duplicating offer the ideal combination for speed and economy.



1. Bell Engineering Department where numerous drawings, specification sheets, etc., originate. When multiple copies are needed the original is taken to XeroX operator to make paper master.



2. XeroX operator is shown making the paper master of the original form. Takes less than three minutes.



3. Paper master is placed on offset duplicating machine and multiple copies run off.

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Company _____

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Circle 205 for more information

thought starters

PRODUCTION thought starters

Counting machine speeds production planning operation

An unusual application for a counting machine has been developed by a prominent Pennsylvania manufacturer of cabinets. In order for work lines to run smoothly in this concern's factory, it was necessary that 17,000 production tickets be counted daily and tabulated on a special report. The report was required by the close of each day to plan the following day's production operations. This involved a tremendous job of hand counting. Not only was it a race against time, but as wages and overhead expenses rose, the task became a target for cost reduction.

With the introduction of the counting machine, the daily count is now completed by the middle of the afternoon. Despite the fact that many of the production tickets become coated with finishing materials, the machine handles them with ease and without errors. While the company points to considerable savings in clerical time, the increased management control available through vaster reports even dwarfs this consideration.

It is interesting to note that the machine, normally used for counting, can also be applied to such problems as printing inspection slips at the end of a production operation. The

Kirsch Company, of Sturgis, Michigan, manufacturers of venetian blinds, reports that their counting machine saves them approximately \$1.75 per thousand over their former method of printing inspection slips.

The same machine can also be used for cancelling and endorsing checks, counting money, and various other imprinting operations. This versatility permits the average user to get maximum product utilization, thereby quickly reducing the cost.

For a booklet reporting fourteen different case histories on how a counting machine can be used for counting and marking operations, Circle number 230 on the Reader Reply Card.

METHODS thought starters

Saves \$16,000 per year on material control system

When the Martin-Parry Corporation installed a new production order system, their chief objective was not to save money, but to give every person concerned the necessary copies he needed to keep him advised of production schedules in progress. They accomplished this purpose with a one-writing method. And, as a direct by-product, they are saving \$16,000 a year!

Under their old production order plan, necessary paper work involved several writings, which led to copying errors. These errors led to costly mistakes on the production line in shearing and finishing.

Under the new system, the company maintains a file of 4,000 pre-typed production-order masters. These masters are used over and over as orders for a part are released, thus eliminating need for rewriting the basic data. Whenever possible,



material is manufactured in mass production for stock. When stocks reach a low point or minimum, material production control goes into action. A variable master for the production order is written by hand. The "standard" master is then taken from the file and combined with the variable master to duplicate a set of nine production order copies, plus the operation tickets for an average of eight operations. The result is a simple, foolproof, and labor-saving method that quickly amortized its cost and has continued to pay dividends.

For a detailed write-up of this system, Circle number 233 on the Reader Reply Card.

PRODUCTION thought starters

Clever form design speeds repair service paper work

The form shown here is part of a seven-part continuous interleaved form used by Ronson to control the repair of lighters sent back to the factory. Actually, the seven-parts are really two parts in one. The last three parts serve as a Receiving Record, a Numerical Control Copy and an Acknowledgement Post Card to the customer. The first four parts, stapled in the corner as a unit, serve as a Repair Invoice, a Shipping Label, a Bookkeeping and Statistical Copy, and a Shipping Copy of the order.

When articles are received for repair, they are placed in a printed repair envelope along with any communication received from the customer. The set of forms is then typed up and divided into two sections. The first four parts go into the repair envelope, following the article through the factory. The second three parts are distributed as follows:

Part #5—Receiving Record, is filed alphabetically.

REPAIR INVOICE - DO NOT DESTROY AFTER CHECKING HAND TO YOUR ACCOUNTING DEPARTMENT		RS-C 85518
RONSON ART METAL WORKS, INC. 1 ARONSON SQUARE NEWARK, N. J.		
TERMS NET NO DISCOUNT		
CHARGE AND SHIP TO:		
CUST. NO. DEPT.		
DATE MADE REC'D. PAY'D. AIR CHARGE DATE OF PAYMENT		
ITEM NO.	DESCRIPTION	AMOUNT RECEIVED
* CODE FOR WORK AND PARTS		PAY LAST AMOUNT IN THIS COLUMN
1—Recondition	7—Replace Flint Cap	13—Replace Flame
2—Recondition	8—Replace Housing	14—Replace File Wheel
3—Test	9—Replace New Cover	15—Replace Segment
4—Repair	10—Replace Snuffer	16—Replace Snap-on Top
5—Repair	11—Replace Trigger	17—Replace Trigger
6—Replace	12—Replace Fuel Cap	

Part #6—Numerical Copy is filed as a numerical control.

Part #7—Printed on card stock, the top is mailed to the customer as an acknowledgement. The bottom stub is used when articles must be forwarded to other departments besides the Repair Department.

Upon completion of repairs, the envelope containing the article and the first four parts of the set is forwarded for completion of the invoicing. The parts are then distributed as follows:

Part 1—Repair Invoice Copy is enclosed in the package with the article to be returned.

Part 2—Shipping Label is attached to the parcel.

Part 3—Posting Copy is sent to the Statistical Department and from there to the Accounting Department for bookkeeping.

Part 4—Shipping Copy is stamped with the date of shipment, C.O.D. number, or post office insurance or registration number, then filed as numerical record.

For full details of this system, including a copy of the set of forms, please Circle number 234 on the Reader Reply Card.

PURCHASING thought

Simplified materials record improves control

Two large eastern manufacturers have recently installed simplified material control systems that promise improved record accuracy and control, and a significant reduction in clerical maintenance costs. The simplified record design applies to the ACTUAL—AVAILABLE balance type of inventory record, where orders are posted first as reservations, reducing the AVAILABLE balance on hand; and second, as shipments, causing a reduction in ACTUAL balance on hand. As most widely used, conventional systems of this type require double posting each order, re-writing such fixed data as DATE, ORDER NO., and CUSTOMERS NAME. Repetitive posting of such data, and the related balance adjustments, are costly from a clerical viewpoint and vulnerable to clerical error.

The simplified system, which in the examples brought to our attention is housed in vertical-visible equipment, achieves its results largely from a technique in form design (see cut).

The form carries only one BALANCE ON HAND which is in effect an AVAILABLE balance. All orders are posted as soon as received, and this AVAILABLE balance reduced accordingly. If the order is for immediate shipment, and if it is not necessary to confirm shipment on the record by a subsequent posting, the DATE COMPLETED column can be "X'd out at the time of original posting. If it is deemed necessary to subsequently post the actual shipment, such posting can be effected merely by inserting DATE COMPLETED next to original posting. In any event, only one balance adjustment is necessary!

A true RESERVATION (for future shipment) is posted and deducted in the regular manner, but a notation of required completion date is made in green pencil in DATE COMPLETED column. When shipment is released, RES-

ERVATION is closed by circling the green entry.

ACTUAL balance can be readily determined by adding open reservation quantities to AVAILABLE balance. In most cases ACTUAL and AVAILABLE balances are identical. Full flexibility is permitted for diversions of RESERVED stock, where desirable or necessary.

When a BACK-ORDER situation develops, orders are posted in red pencil and a cumulative red balance carried forward. Replenishment stock is applied against any or all back order (by entry in DATE COMPLETED column) and a single adjusting stock balance entry made at the foot of open orders.

For more information on the above system, Circle 229 on the Reader Reply Card.

ed (utility company) equipment. With the doubling of our business in the past 18 months, and with subsequent increases in the rate for rented facilities, this savings can be estimated at a considerably higher figure than our original calculation of \$1,000."

For an eight page brochure detailing the above system, please Circle number 231 on the Reader Reply Card.

FINANCIAL thought

Mechanical payroll system allows for heavy expansion

Without requiring additional business equipment or machines, the Gillette Safety Razor Company's Boston Plant has more than tripled its employment rolls in recent years, and its payroll system has maintained the pace. Using only two machines, the company feels it can still handle a sizable increase on its present equipment.

Machine work on Gillette's payroll begins on Tuesday of each week, after time cards have been calculated and extended by the Payroll Department's group of calculator operators.



While their accounting machines could handle this calculation work, the company prefers to save the payroll machine operators the time it takes to pick up old balances and extend new balances every week on each earning's card, leaving more machine time for the regular payroll work. The two machines finish the posting by Wednesday.

The system and machines are simple. The machine operator merely in (next page, please)

ORDERS AND RECEIPTS				DISBURSEMENTS					
DATE	VEN	PURCHASE ORDER NO.	UNIT COST	QUANTITY		DATE	ORDER NO.	QTY.	BALANCE ON HAND
				ORDERED REC'D	BALANCE ON ORDER			OUT IN	
12/1	1	851-3764		100	100				
12/5		851-3764	.37	100	-0-				

DISBURSEMENTS			BALANCE ON HAND
DATE	ORDER NO.	QTY. OUT IN	DATE COMP.
1/1	PHYSICAL INVENTORY	100	
1/2	S.O. 7653	10 X	90
1/3	S.O. 7961	5 X	85
1/5	S.O. 8021	5 X	80
1/6	R 1765	10 (2/10) X	70
1/6	S.O. 8036	10 X	60
1/7	S.O. 8121	10 X	50
1/8	R - 1791	10 (3/1) X	40
1/8	R - 1797	20 (3/10) X	20
1/9	S.O. - 8210	20 X	-0-
1/10	B.O. - 576	20 1/12 X	20
1/11	B.O. - 620	25 1/12 X	45
1/12	R.R. 51-3764	(100) X	55

DISBURSEMENTS POSTED IN BLACK

RESERVATIONS POSTED IN GREEN PENCIL

DATE BACK ORDERS RELEASED

"BACK ORDERS" POSTED IN RED

FITTINGS' INVENTORY CONTROL
FORM PROTECTED BY U. S. PAT. NOS. 1,975,566 & 1,713,945 & PAT. PEND.



"You ask me why I never make the 5:08?"

There's a big difference in business forms, too!

(a difference in what they will accomplish for you)

What is the difference between a Standard Register form and a "bargain buy?" Often, both forms look the same. But one will give faultless, trouble-free machine operation and the other will cause exasperating delays.

The difference is in Standard's "unseen specifications" of workmanship and accuracy. You can depend on top operating efficiency in Kant-Slip Continuous Forms.

You'll find a big difference, also, in

the analysis and planning *behind* business forms — our techniques of Paperwork Simplification that assure you better-working papers.

Standard Register's complete line of superior forms-feeding and handling devices enable you to simplify the entire process of producing written records. Let our Representative (consult your phone directory) demonstrate the difference to you. The Standard Register Co., 5104 Campbell St., Dayton 1, Ohio.



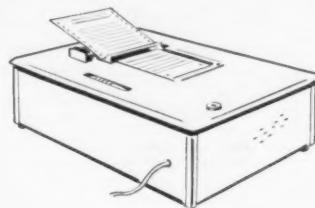
STANDARD REGISTER
Business Forms and Utilizing Devices

ORIGINATORS OF MARGINALLY-PUNCHED CONTINUOUS FORMS

Circle 206 for more information



PAPERWORK SIMPLIFICATION:
What happens when better business
forms are scientifically applied.



A Connecticut manufacturer using Form Flow Electric Registers and Kant-Slip Continuous Forms reduced clerical costs for one department by \$13,000 annually.*



The trust department of a large Chicago bank employs Kant-Slip continuous forms in a unique system of daily ledger posting on tabulating machine.*



A New York television corporation increased the number of service accounts on their books from 7,000 to 12,000, handled by 4 instead of the 7 girls needed previously. A 71% increase in business with 40% less clerical help using a Standard Register Unit Zipset System!*



Standard Register's Dual Feed applied to an electric typewriter enables one girl to write simultaneously and continuously invoices and journal sheets. The same billing operation formerly required two billing machines and two operators.*

*Name and full story on request.
Write Standard Register.

FINANCIAL

thought starter

(continued from page 11)

serts the employee's statement and cash receipt form in the carriage of the machine along with the Employee Earnings Card, indexes overtime allowances and regular overtime hours worked on the keyboard, and depresses the regular motor bar. Other deductions are indexed on the keyboard, and when the motor bar is depressed, the machine automatically prints net pay on both the employee's statement and cash receipt. The machine also permits shortcuts where all deductions are not made, by tabulating automatically to the withholding tax position, or automatically completing the posting operation when special motor bars are used.

The same figures printed by the machine on the employee's statement are printed simultaneously on the employee's earning card, which is kept as a permanent record of payroll amounts paid to each employee for each week throughout the year.

A payroll journal, or proof sheet, is created by the machine as the payroll run is being made. All entries made to the employee's statement and earnings cards are also printed simultaneously on this proof sheet in the same sequence in which the entries are posted. At the end of each payroll run, the totals which have been "stored up" inside the machine, are ejected and printed on the proof sheet. These printed accumulated totals are used to prove the accuracy of the work.

While the machines are capable of producing earnings-to-date and tax-to-date totals as each week's work is done, Gillette prefers doing this job quarterly on calculators. With the calculation capacity available, it is merely necessary to compute two weeks' totals of earnings and taxes at the end of each quarter, because to-date totals for eleven weeks can be accumulated through the period.

For full details on this system together with information as to how such items as savings bonds deductions and deliveries are handled, please Circle number 232 on the Reader Reply Card.

Paper Profits

NEW METHOD FOR REPRODUCING DRAWINGS
SAVES MONEY AND REDUCES DESIGN TIME

In Washington early this year a governmental suggestion awards board, plainly stumped, once again delayed action on the suggestion of Wendell H. Davis, an employee of the U. S. Army Engineers Corps.

The board's problem stemmed not from any doubt about the practicality of Mr. Davis' suggestion, but rather how best to evaluate it, for making an award to him.

There was no doubt that it had saved the government "upwards of a million or more." But total savings were still climbing, and under the pressure of Korea and the defense effort nobody could estimate how much they would eventually amount to. As a result the board had no idea of the sum on which to base its award.

Only one thing was certain: At a time when Congress was demanding governmental economy all down the line, the Army Engineers were delivering the goods — and the dollars — in a most convincing manner.

Mr. Davis' suggestion had a long history: In November, 1946 he suggested that the Army Engineers Corps change their method of duplicating drawings from old-line conventional methods to a single positive-to-positive technique.

At that time the Corps was having difficulty obtaining architectural and structural draftsmen, and was almost continually behind in its work because of the amount of re-drawing necessary when changes were called for in the original. In addition, although the Corps had previously switched from preparing ink drawings on linen to making original tracings with pencil on paper from which photographic film negatives and a brown print were made, complaints were being received from field offices that the brown prints were unsatisfactory, because illegible prints were resulting from their use.

In an effort to overcome these difficulties, Army Engineers experimented briefly with linen prints which cut costs from \$12 or \$15 a print to \$6 or

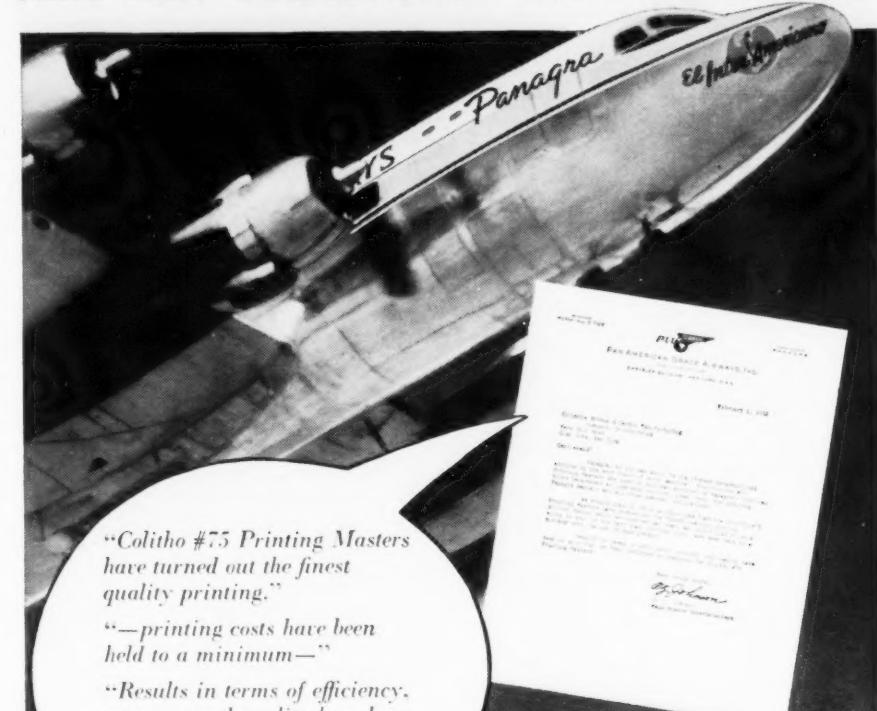
\$8. Because of the tendency of these prints to become brittle, they showed poorly in field tests. So a search was continued for a reproduction material which would produce a copy with the quality of a fine paper print, at a low cost. In 1949, as a result of this search and Mr. Davis' suggestion, the Army Engineers Corps changed from the use of brown prints to "Auto-positive" film and paper which had just appeared on the market.

Positive-To-Positive Reproduction

Basically, the then new film and paper offered several advantages. They permitted equally acceptable reproductions to be made from any type of original; ink on linen, ink on paper, pencil on linen or paper, or old drawings which were wrinkled, creased, and battered almost beyond recognition.

Original drawings could be easily protected and saved from harm by making a film intermediate from the originals and using the film for the production of all copies. (next page)

NEWS FROM PANAGRA ABOUT COLITHO



"Colitho #75 Printing Masters have turned out the finest quality printing."

"—printing costs have been held to a minimum—"

"Results in terms of efficiency, economy and quality have been so good that we feel justified in praising the Colitho #75 Printing Masters."

write, type, print, or draw—and how quick! They require no pre-treatments—no aging—and no pampering. You handle Colitho Plates like an ordinary sheet of paper, yet the work comes out free of smudges and fingermarks. You can even fold and mail them! Long runs, re-runs and long life are Colitho characteristics which result in real economy.

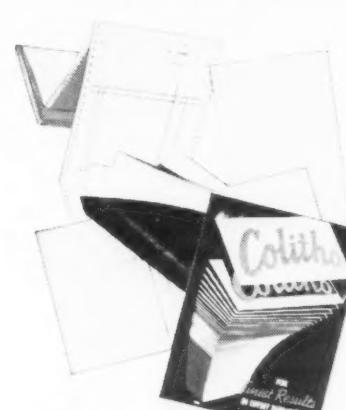
So, find out why Mr. Johnson is so enthusiastic. Mail the coupon for samples and the complete Colitho story. (We'll tell you also how the Colitho "One-Write" idea cuts cost in business systems paper work.)

COLUMBIA RIBBON & CARBON MFG. CO., Inc.
120-4 Herb Hill Road, Glen Cove, L. I., New York

Colitho

OFFSET MASTER PLATES

Colitho plates and supplies make any offset duplicator a better duplicator.



Colitho Plates are adaptable to purchasing, manufacturing, distribution, selling, billing and accounting forms.

COLUMBIA RIBBON & CARBON MANUFACTURING CO., Inc.
120-4 Herb Hill Road, Glen Cove, L. I., N. Y. MM-4

Please send me a copy of the Colitho Manual and samples of Colitho Masters.

Name _____

Title _____

Company _____

Address _____

City _____ Zone _____ State _____

Make of Duplicator _____ Model _____

Plate Size _____ Clamp Style _____

Circle 207 for more information

Which of these 4 dangerous ideas do you have?

(Any one of them could put you out of business)



1. Think your accounts receivable will always be there? Risky idea! Fire leaves many a business with records in ashes . . . doors closed for good.



2. Think an old safe or any safe without the Underwriters' Laboratories, Inc. label will guard your records against fire? More likely, it will act as an incinerator in a fire.



3. Think a fireproof building is sure-fire protection? Actually, such a building just walls-in a fire that starts in your office . . . makes it even hotter!



4. Think your fire insurance would cover every loss? Not unless you can prepare a proof-of-loss statement. Could you, without your records?

Better face this fact squarely: 43 out of every 100 businesses that lose their records by fire never reopen! Don't risk it. Find out how little it costs to protect your business records—and your business future—with a modern MOSLER RECORD SAFE. It's the world's best protection certified by the Underwriters' Laboratories, Inc.

IF IT'S MOSLER . . . IT'S SAFE

The Mosler Safe Company
Since 1848

World's largest builders of safes and bank vaults . . . Mosler built the U. S. Gold Storage Vaults at Ft. Knox and the famous bank vaults that withstood the Atomic Bomb at Hiroshima

Consult classified telephone directory for name of the Mosler dealer in your city, or mail coupon now for informative, free booklet.

THE MOSLER SAFE COMPANY • Department MM-4 Hamilton, Ohio
Please send me free booklet giving the latest authentic information on how to protect the vital records on which my business depends.

NAME..... POSITION.....

FIRM NAME.....

ADDRESS.....

CITY..... ZONE..... STATE.....

Circle 204 for more information

Changes to meet geographical needs or special requirements could be easily made by chemical erasure of the lines on the intermediate and redrawing with pencil or ink on the film. Thus, extensive and expensive redrawing and drafting time could be kept to a minimum.

Because legibility was increased by the process, complaints about unreadable drawings were eliminated.

Saves Time and Money

Since the Army Engineers Corps is often asked to supply, on a few moments notice, drawings and specifications for everything from motor repair shops, barracks messhalls and post gatehouses, to bakeries, dry-cleaning establishments and sewage disposal plants, savings made possible by the adaptability of the new process alone have proved substantial.

Savings stemming from a reduction in the number of operations required to deliver the necessary copies are also tremendous. Monthly, an average of 30,000 to 40,000 Autopositive prints and 300 to 350 Autopositive films are made.

Finally, when Army suggestion

board authorities attempted to calculate savings in draftsmen's and engineers' time, their figures zoomed right off the page. By August, 1950 it was estimated, roughly, that direct savings were already totaling more than \$981,000 a year and the work load has grown steadily since that time.

As an example of just one job on which the new process has proved its worth, there's the matter of 150 World War II theatres which had to be modernized and reconditioned for use by present troops. By old techniques the drawing reproduction problem would have been enormous. Even with the new positive-to-positive methods it was immense. Army Engineers calculate, however, that the new technique of reproducing the old drawings on the new film—and then eliminating what was not essential or applicable, and redrawing only those sections requiring changes—reduced drafting and design time by *seventy-five per cent!*

For more information on the above methods, together with a definitive booklet outlining other case histories in private firms, Circle number 250 on the Reader Reply Card.



Mr. Davis, originator of the method described in this article

methods
asks the
experts

THIS MONTH'S EXPERT



J. W. HASLETT
Manager, Methods and
Statistics Department
Shell Oil Company
New York

Most of the material in this article was provided by Mr. Haslett. As a Methods Director, and as a national officer of the Systems & Procedures Association of America, he has had broad experience in the organization of methods work.

Part of this material has been taken from an address he made to the Sacramento Chapter of the National Office Management Association, late last year.

A MONTHLY FORUM ON A CURRENT MANAGEMENT PROBLEM

Do I need a methods department?

YOUR BUSINESS DOESN'T HAVE TO BE "BIG" TO PROFIT BY METHODS CONTROL

About a year ago, a relatively small manufacturing company in Bridgeport, Connecticut obtained several sizeable sub-contracting orders that expanded their business enormously. About the same time, their closest competitor was hit by a strike which resulted in more business going to the Bridgeport firm. The now very busy company added a few more salesmen to help service new accounts, and dug in for a prosperous year.

Within sixty days, however, the normal routines of the business had developed into chaotic confusion. Payrolls weren't getting out on time. Stock control was completely out of hand. The purchasing department was ordering blindly. CMP regulations were broken. Invoicing and shipping were off schedule and growing worse.

The president of the firm called in a Management Consultant and asked for a complete overhaul of their paperwork routines. Six weeks were spent on the job by two management engineers. After completing the survey, their first recommendation was that a methods department be created immediately to supervise and follow through on the rest of their recommendations. "You will find it more economical to hire an experienced methods man," the report stated, "than to retain us for follow through. A competent man will save you far more than his annual salary. Moreover, the presence of such a man is essential to the successful development of the procedures herein outlined."

Setting Up A Methods Department

Because methods work is a relatively new profession, few businessmen fully understand it. A Methods Director or a Methods Analyst is not an Office Manager—though in some companies he may successfully assume this function. Titles are deceptive, therefore a clear definition of responsibilities is essential whatever the title. In all but the very smallest firms, methods work, whether it involves the office only or the plant as well, should be clearly separated from personnel and general office management. On the organization chart, particularly in

larger firms, methods specialists frequently report to the top financial officer. They work with all levels of management, of course, but it is essential that their authority be derived from a high level. In one very large firm, the methods director reports to the executive vice-president alone—in another, to the president.

This is fundamental. The methods man is anti-status quo. His function is to improve by changing. It's only natural, therefore, that he'll run head-on into opposition . . . particularly at lower supervisory levels. Personnel in these echelons have a large equity in things as they are. Although the reverse is usually true, the methods man seems to be a threat to their security. He must be able to report to a man who can see the forest from the trees, and from whom he can obtain a clear-cut and well advertised management support.

The Methods Man in Action

Whether a method office is composed of a single individual who spends part or full time on methods work, or has numerous employees, its work is conducted systematically according to a planned approach. Planning the work is primarily a matter of specifying in written form programs of improvement to be undertaken. These will include specific immediate projects as well as long-term operations.

That's just the beginning. When a new or improved office method has been adopted, it's important that the methods department prepare a manual covering its operation. The manual will assist in installation, be valuable for continuing reference, and be available for the training of new employees.

Next, progress and results of the new system should be closely followed. Since many paper work functions in a company are interrelated, a new system inevitably requires changes in other departmental operations. When this is completed, it's possible to develop job performance standards for office management to use in evaluating personnel.

Not the least of the methods man's functions is his position as a reservoir

of current knowledge on new types of office equipment and furniture. This also extends into continuous research of new management practices, which he can disseminate throughout the organization to improve administrative operations.

Limit of Duties

It should be remembered, of course, that the methods man does not issue orders. He analyzes, develops, and recommends. In many organizations, contact with business equipment salesmen is through the methods department. It does not buy, though it can be authorized, however, to recommend standards to facilitate procurements.

How Much is a Methods Man Paid?

In very large corporations, a Methods Director in charge of a sizeable department ordinarily may be paid between \$10,000 and \$20,000 per year. Obviously, experience is the principal consideration. A Methods Analyst, working under a director, usually can expect \$6,000 to \$9,500 a year. Girls employed in forms programs, who can also draft, can be expected to ask from \$3,500 to \$5,000 a year. It should be remembered that all of these figures are for *experienced* individuals.

There can be no poorer economy than to sacrifice experience to obtain a man willing to take a lower pay rate. In the Forms Design feature in this issue, for example, it is demonstrated how the simple redesign of a form saves not less than \$2,500 per year for a company. This is a drop in the bucket to what a good methods man can save. In firms which have not enjoyed professional methods supervision over a period of years, an experienced man may well save his total annual salary every month. Incidentally, in hiring methods personnel, don't limit yourself by seeking a man in "your line of business." In most cases, that isn't necessary. Depth of knowledge in the technique of organization and systems work is the critical factor.

applications & ideas

Remote control writing of business forms

Here's a revolutionary piece of equipment that will permit you to fill in a business form, and simultaneously create an identical copy at several remote stations. The basic equipment is not new. Most business men know of telescribers that are



used for transmitting hand written messages from one point to another, instantly, in the same handwriting as the original message. This is the first time, however, that it has been possible to write entries on to pre-printed business forms for instantaneous transmission elsewhere.

The labor saving and time saving advantages of this system are tremendous. The form is only written once with no need for multiple carbon copies. Messenger delivery is done away with, since the messages "deliver themselves." The forms produced are individually written in indelible ink so unauthorized alterations or erasures are immediately evident. Pre-numbered forms may be used and the firm's name, trade mark, or an advertising message can be pre-printed on the head of the form.

For information and prices, Circle number 246 on the Reader Reply Card.



How to use an office inter-com system

In the January, 1952 issue of METHODS, a comprehensive story on office inter-communications systems was presented. Readers who were interested in that article will find useful a new 24 page booklet explaining various ways these systems can be applied to the modern business. The material presented is factual and is based on actual installations now in use.

For a copy, Circle number 238 on the Reader Reply Card.



Portable photo-copier takes legal-size documents

At a cost of only seven cents per page, this lightweight photocopier can be used under normal, artificial room lighting without fogging the paper. It will accommodate 8½ x 14 inch documents, even when they are tightly bound into books. The fact



that the subject matter to be copied may be curved by binding does not affect the reproduction. Photographic copying paper is placed on the sheet to be copied. The "camera" is held over the sheet and the switch is turned on for an appropriate time exposure. No dark room is needed for developing.

Unusually valuable in libraries where books must be copied, it has proven itself to be extremely valuable to accountants, lawyers, researchers and bankers. It will copy any color or written, printed or drawn material

and is so compact that it will fit into a briefcase.

For more information, Circle number 241 on the Reader Reply Card.

More about office quiet and sound conditioning

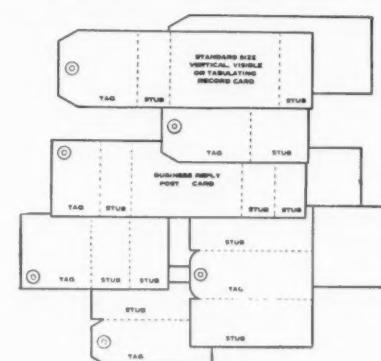
An excellent little booklet on office sound control is available to METHODS readers. It avoids engineering jargon and handles its subject matter on a question and answer basis. A few typical questions answered simply and succinctly are: "What materials are used in sound conditioning?", "What are the effects of exposure to noise on workers?", and "How does sound conditioning stop noise?"

For a copy of this free booklet, Circle number 242 on the Reader Reply Card.

Recent development for printing on tags

Because of the bulky reinforcement on industrial tags, reproduction speed was previously hampered by the need for hand feeding. The heavily reinforced holes used for attaching the tag did not permit them to be run through standard duplicating machines.

A new special feed attachment has been devised to use the reinforced hole to advantage, making it possible to machine-feed at high speed no matter what the thickness of the card or reinforcement. A special incorporation of this device was recently custom tailored for a large electrical manufacturer with a material saving



of time and money. The equipment can be adapted to all makes of suitable stencil duplicating products.

For more information, Circle number 237 on the Reader Reply Card.

Telephone silencer reduces office noise

Though not new, the phone silencer shown is most frequently thought of as a device for safeguarding privacy. More recently it has been applied by methods men to reduce the noise level in crowded offices. Placed on the transmitter of a telephone, it permits normal conversational volume of voice, at the same time deadening background sound. Executives with adjacent desks, or batteries of employees engaged in order taking, solicitation, or complaint and adjustment duties, are free from the distraction of hearing the person next to them.

For more information, Circle number 240 on the Reader Reply Card.



New machine designed for complex accounting work

A new, compact machine, equipped with a "sense plate" or mechanical brain, opens up a whole new field of applications that can be handled in the average business office. The heart of the machine is a sensing unit which is attached to the carriage. As the carriage moves, this control unit transmits a series of rapid fire



inking. The exact degree of pre-measured inking is directly related to the number of lines on the page. The result: uniform copy on every page, easier operation, less ink used. When all of the ink is used, a bell signals that a new ink can should be inserted. The machine also offers a precision paper-feed which permits exact register and multi-colored reproduction.

For more information, including prices, Circle number 239 on the Reader Reply Card.

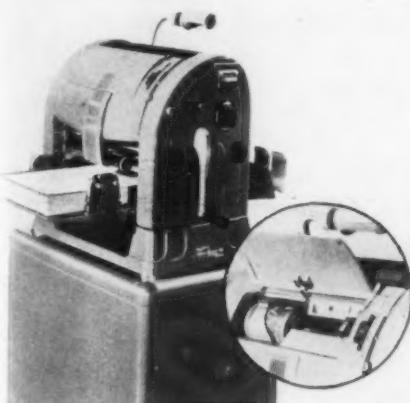
instructions to the 7,000-part working mechanisms. It tells the machine to add or subtract, to select certain columns for printing the answers it has computed, to retain eleven totals simultaneously, to print in red or black.

Each of these control units has four complete "brains" to handle four different accounting jobs according to the user's specification. The operator can switch from one to the other by flicking a knob, or she may remove the entire unit and snap another into position with an entirely new set of "brains," ready for four entirely different accounting jobs. The number of possible variations in programming, by altering the pattern of the steel control fingers in the steel control unit, runs high into the millions.

For more information, including literature, Circle number 236 on the Reader Reply Card.

New duplication machine with fully automatic inking

Recently introduced to the American market, this machine, features continuous, instead of intermittent,



How to estimate savings in form design

Anyone concerned with improving methods in the office can make good use of this ingenious little rotary computer, designed to demonstrate potential savings from better form design. One side of the computer deals with savings that can be realized by reducing the size of your paper forms. The other side, through the use of work measurement statistics produced by time study engineers, demonstrates potential savings in labor obtained by improving form design.

As a METHODS reader, you can obtain one of these computers by Circling number 244 on the Reader Reply Card.



CUTS RECORD KEEPING COSTS

Shif-Dex Visible Records utilize "sight" in place of manual operation. Instead of fingering numerous sheets to locate a record, the eye finds it at a glance. As many as 40 records are visible! Up to 2,000 record sheets in a single binder!

The scope of Shif-Dex is as broad as business itself. It is adaptable to practically every department in every business.

THE FACTS YOU WANT AT A GLANCE

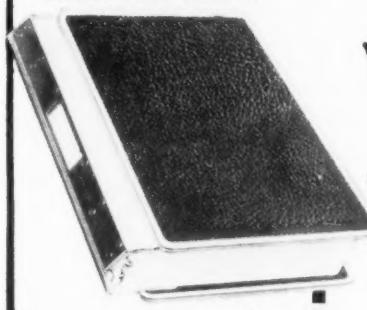
Delinquent accounts visible at a glance without wading through a lot of records.

Buyers of this or prospects for that brought to your view.

Slow-moving stock items or those that need close watching—flagged for your attention.

These and other records can be signalled for the facts you want at a glance, and give you direct record control.

- Shif-Dex saves time—postings made in a fraction of time required for blind type of records.
- Portable—easily carried from place to place. Permits posting and reference at desk level.
- Compact—up to 2,000 sheets in a binder. Thousands of records at arm's reach.
- Flat opening—perfectly flat writing surface.
- Built-in automatic shift opens space at any desired place for insertion of sheet; closes space when sheet is removed.
- Numerous distinctive features make Shif-Dex outstanding in the field of visible records.



USE THIS COUPON

WILSON JONES CO.

3300 FRANKLIN BLVD.
CHICAGO 24

122 EAST 23RD STREET
NEW YORK 10

CAMBRIDGE, MASS.

KANSAS CITY

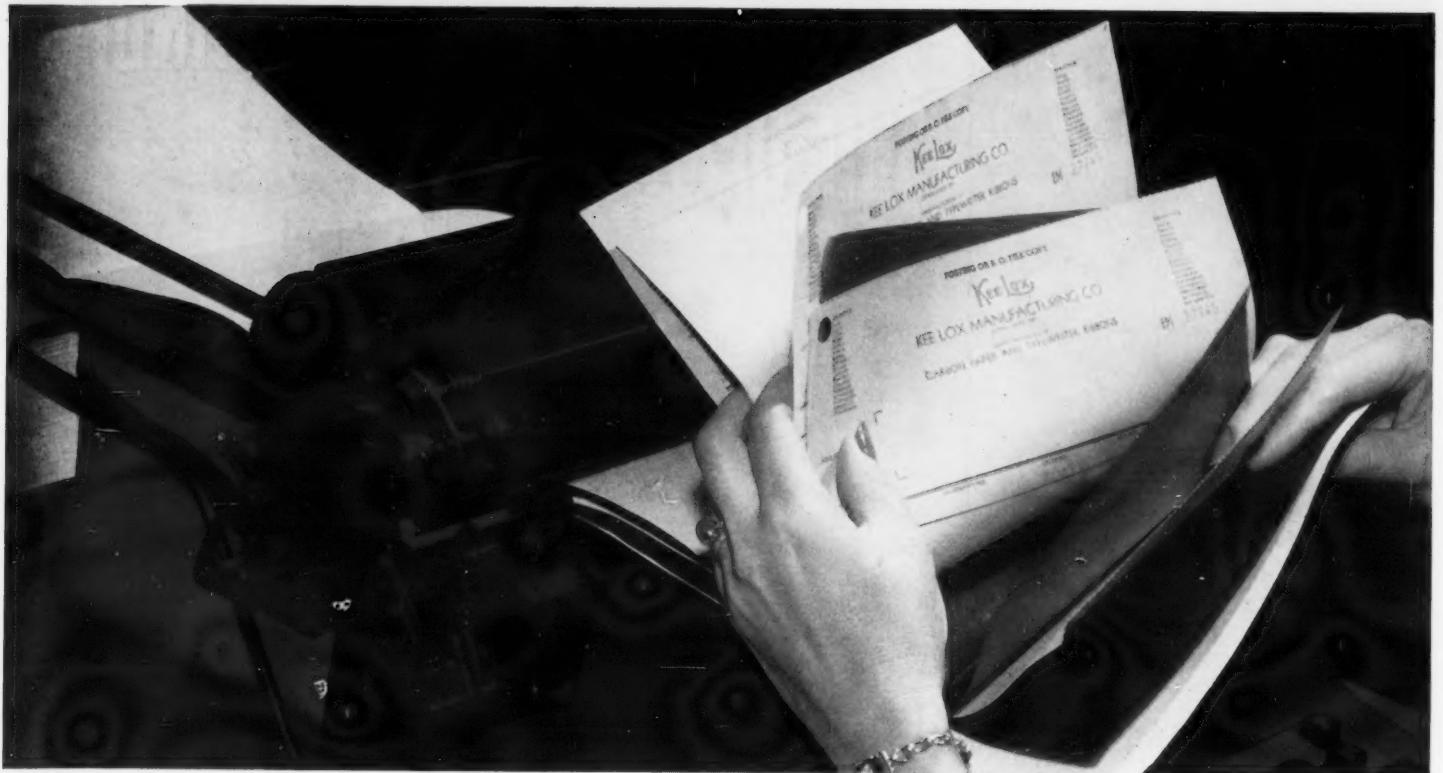
WILSON JONES CO.

3300 Franklin Blvd., Chicago 24, Illinois

Please send circular on Shif-Dex.

Name.....
Company.....
Address.....
City..... State.....
Our Stationer is.....

Circle 216 for more information



For Continuous Form Billing

Dupli Packet

Saves Time and Money Gives You Better Carbon Copies

FOR USE ON FANFOLD FORMS OR OPEN WEB FORMS. EASY TO OPERATE, CONVENIENT, REDUCES CARBON COST. MADE WITH THE RIGHT CARBON TO GIVE WRITE COPIES.

Use of **Kee Lox Dupli Packets** saves considerable time and permits work to be done with greater ease and accuracy. One loading of the forms with **Kee Lox Dupli Packet** enables the operator to write as many as 3,000 invoices before a new set needs to be installed. Your complete satisfaction in the use of **Dupli Packets** on all continuous forms having an original and as many as ten Copies: is a Kee Lox guarantee.

Users find **Dupli Packets** give them better Carbon Copies at lower Cost than any other method. A trained Kee Lox representative will help you get started.

KEE LOX MFG. Co.

Rochester 1, N. Y.

Offices in all large Cities in U.S.A.

Circle 208 for more information

MAIL the COUPON TODAY. THANKS

Send us a set of your continuous forms, or tell us please the number of plies and size you use and we will send to you **Free** one set of Kee Lox Dupli Packet correct for your System for Trial. (MET.)

Send to _____

Address _____

City _____

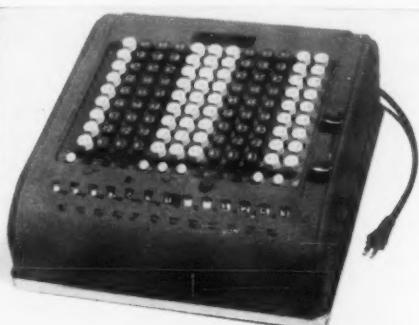
Signed by _____

METHODS

thought starter

Two calculators in one in new machine

A brand new adding-calculating machine is now being marketed by a major office equipment manufacturer. It has two independent keyboards, two cancelling levers and a divided answer register. Its outstanding feature is the ability to calculate on the right half of the keyboard and to accumulate totals on the left half.

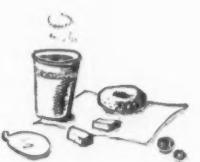


Totals on the right half can be cancelled independently of the accumulating side.

For example, take an average billing operation. In invoicing, many items can be figured mentally. Such items are added *directly* into the left or accumulating side of the machine. Other items which must be calculated (price X quantity) are handled on the right half. These sub-totals are then transferred to the accumulating side. After figuring each sub-total, the operator cancels the calculating dial on the right, without disturbing the figures in the accumulating dial on the left, and proceeds with the next item.

Similar applications in payroll, figuring discounts, sales audit, accounts receivable, and statistical functions, will make the machine particularly attractive to many businesses.

For more information, Circle number 228 on Reader Reply Card.



methods

design form

A small change in form design saves \$2500 a year

Here's a clear-cut case of how improved form design can save time and money. Revision of this truck manifest was started originally in an effort to shorten the over-all length of the form. It was believed that at least one and one-half inches of the length could be eliminated, with a resultant saving in material costs. Since the company uses 75,000 of these manifests annually, this saving amounted to a tidy sum. When the revision was completed, however, it was discovered that resultant savings in labor were far greater than the paper and carbon reduction.

Measuring the Saving

Because the old form was not designed to accommodate tab-stop positioning on the typewriter, it required 510 space bar actions on the part of the typist to fill out a single form. The revised form required only 77 space bar actions. On 1000 forms, this meant a clear saving of 26 man hours.

Since the typists were getting \$45.00 a week (\$1.12 an hour) the saving on space bar action alone was \$28.00 per thousand forms.

It was also found that 14 less carriage returns were required, saving 3.9 hours per thousand forms, or \$4.37 in terms of dollars and cents.

In other words, for every 1,000 forms, the company immediately saved \$32.50 on mechanical actions alone! Multiply that by the 75,000 manifests made out each year and you'll find the annual saving to be near \$2,500.

Other Saving Too

Because the new forms were shorter, they used less material and were 10% less expensive. But the biggest saving came in error reduction. It was

found, for example, that it takes as long to correct one error as it does to fill out the entire form. Research by big forms users has shown that the average typist makes not less than one error in three forms. One insurance company believes that there is an error factor of one per form. In this particular case it can be assumed that error reduction amounted to at least 25%. Beyond a doubt, this saving probably exceeds the measurable \$2,500 saving on mechanical action.

It should be remembered that improved form design saves money all through an organization. If the form is easier to read, the accounting de-

partment and other addressees find it easier to use. Operator fatigue, of course, is materially reduced—with a resultant increase in productivity.

The manifest described above has eight copies and uses one-time carbons. The copies and carbons are bound in sets for swift insertion in a typewriter and easy separation when the form is completed.

This is the first in a series of form design articles which will appear in METHODS regularly. If you have an outstanding example of improved form design in your business, please pass it along to us so that others may benefit by your ingenuity.

EASTERN MOTOR EXPRESS, INC. Truckman Trip Contract and Manifest															
THIS IS A CONTRACT between the truckman signing below and Eastern Motor Express, Inc. for the hauling of property described below leased to the company subject to the terms set forth on the reverse side hereof, which equipment is to be used for two volume pick-ups and deliveries as specified by consignor or consignee.															
Tractor Owner		Make	Year	Serial No.	Model	State	Telephone No.	Complete Address				Truckman			
Trailer Owner		Make	Year	Serial No.	Model	State	Telephone No.	Complete Address				Policy No.			
PLPD Insurance		Yes	No	Company		Expires		Eastern Motor Express, Inc.				(by)			
Date Signed		Time		A.M.		P.M. (By)									
COMPLETE FOR LEASED VEHICLES ONLY		DRIVER'S NAME		TRACTOR NUMBER		TRAILER NUMBER		LEASED EQUIPMENT		PHYSICAL EXAMINATION DATE		DELIVERY ADDRESS		TIME	
DRIVER'S ADDRESS		DRIVER'S LICENSE NUMBER		DRIVER'S NAME		TRAILER NUMBER		LEASED EQUIPMENT		PICK-UP DATE		DELIVERY DATE		TIME	
LOAD DESTINATION		DRIVER'S ADDRESS		DRIVER'S NAME		TRAILER NUMBER		LEASED EQUIPMENT		PICK-UP DATE		DELIVERY DATE		TIME	
PRO NO.		ORIGIN		SHIPPER		CONSIGNEE		DESTINATION		NO. PCS.		WEIGHT		UNLOADING RECORD	

Before revision. Note congested appearance, lines that do not help typist, absence of uniform tabulating positions.

EASTERN MOTOR EXPRESS, INC. Truckman Trip Contract and Manifest																			
THIS IS A CONTRACT between the truckman signing below and Eastern Motor Express, Inc. for the hauling of property described below leased to the company subject to the terms set forth on the reverse side hereof, which equipment is to be used for two volume pick-ups and deliveries as specified by consignor or consignee.																			
TRAILER OWNER		COMPLETE ADDRESS		TELEPHONE NO.		UNIT NO.		MAKE		YEAR		SERIAL NO.		MODEL		STATE		LICENSE NO.	
TRAILER OWNER		COMPLETE ADDRESS		TELEPHONE NO.		UNIT NO.		MAKE		YEAR		SERIAL NO.		MODEL		STATE		LICENSE NO.	
PLPD INSURANCE		COMPANY		POLICY NO.		EXPIRES		DATE SIGNED		TIME		A.M.		TRUCKMAN		EASTERN MOTOR EXPRESS, INC.		(By)	
DRIVER'S NAME		PHYSICAL EXAMINATION DATE		TRAILER NO.		VEHICLE NO.		OWNER'S NAME		STATUS FROM		OWNER'S NO.		VEHICLE NO.		OWNER'S NAME		STATUS TO	
WEIGHT HAULED		DUE & OPERATOR		PICK-UP STOP-OFF		PICK-UP		TOTAL DUE		DATE OUT		TIME OUT		CHECKED BY					
DATE IN		TIME IN		CHECKED BY		S		S		S		S		S		S		S	
DRIVER'S ADDRESS		PHONE NO.		LOAD DESTINATION & STOP-OFF															
PRO NO.		ORIGIN		SHIPPER		CONSIGNEE		DESTINATION		NO. PCS.		WEIGHT		UNLOADING RECORD					

After revision. Form is easy to read, easy to type, with over-all depth one and one-half inches shorter.



and writes with

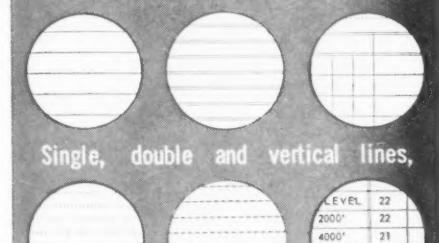
CHANGEABLE

PRINTER'S TYPE STYLES

ALL IN THE SAME OPERATION

Now you can prepare your own original forms for reproduction by any printing or duplicating method you choose. Lines are ruled by merely pushing a button and text is supplied by "typing" with the professional looking type designs...instantly changeable...in all styles...from 6 pt. to 12 pt. The fine hair-line ruling can be done right on a mimeo stencil, too...or even directly on a litho-plate.....

FOR ALL KINDS OF RULE WORK



Single, double and vertical lines,

LEVEL	22
2000'	22
4000'	21
6000'	20
8000'	19.5
10000'	18

dots, dashes and type, too!

SAVINGS are tremendous and no sacrifice of quality is involved—even though the work is done in your office by office help. This machine will pay for itself and give you a greater supply of printing than you have ever enjoyed before. Get the full facts today.

THE ABOVE TEXT WAS VARI-TYPED

Vari-Typer COMPOSING MACHINE

RALPH C. COXHEAD CORP.
720 Frelinghuysen Avenue
Newark 5, N. J.

Please send me Vari-Typer Booklet #A64.

Name _____

Company _____

Address _____

City Zone State

Circle 213 for more information



STOP STRANGLING YOUR HELP

**with obsolete
record-keeping systems...**

BAUSCH & LOMB OPTICAL COMPANY, one of the world's largest manufacturers of optical instruments and lenses reports:

"Our installation of *VISIrecord* visible recordkeeping equipment is saving our buyers and their secretaries an immense amount of time.

"Because of *VISIrecord*, we have eliminated the need of expanding our purchasing department AND have gained greater control, better working conditions and speedier service.

VISIrecord keeps buyers up-to-the minute on 13,000 to 15,000 items from 2200 suppliers and jobbers. For example, when the purchasing agent is speaking on the telephone, his secretary, at the mention of an order number locates the order card and gives him the information within 15 seconds."

Write today for facts on the hundreds of *VISIrecord* systems designed specifically to improve your record-keeping operation.

VISIrecord

The world's fastest record-keeping system!



VISIrecord, Inc.
Copiague, L. I., N. Y.

Please send literature on.....

Come see us

Name..... Title.....

Company

Address

City..... Zone..... State

Offices in cities throughout the world.

Circle 209 for more information

How to increase typing efficiency

There's nothing new about copy holders. Like dozens of other labor saving and fatigue reducing machines, they have been on the market for years. And yet, in spite of their proven ability to increase typing production, they are still far from widely used.

One very logical reason can be found in the lack of information about them among businessmen in general. Secondly, because they are low in cost, the office equipment industry probably finds them to be marginal profit-wise, so they have never been widely promoted.

Demonstrated Savings

Recently, several time and motion studies have been conducted in Government Bureaus and by private companies in an effort to determine how much a copy holder can increase typing production. The Bureau of the Census attributed a \$72,000 annual saving in clerical time as a result of using the equipment. A large food concern, in their analysis, reported a 90% reduction in transcribing errors, thanks to copy holders. A direct mail advertising agency experienced a 23% increase in the typing of labels as a direct result of the introduction of a copyholder.

What "Forward-Reading" Means

So much for the savings. The important question you might ask is, "How does the machine do its job?"

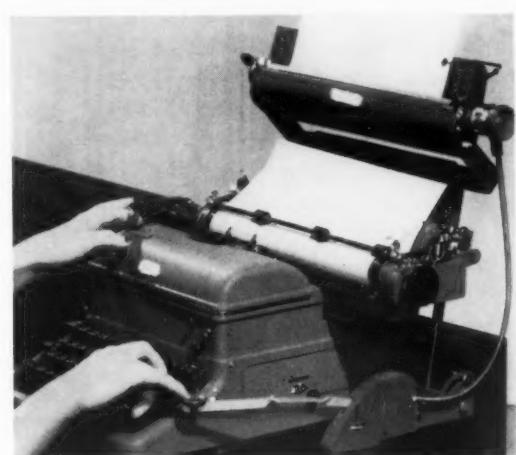
Watch a typist in your own office [the first chance you get.] Whether she is typing from [stenographic] notes or a printed page, chances are she's twisting her neck to see the original media. This is particularly difficult and fatiguing if statis-

tical typing is involved. The eye must travel back and forth, constantly breaking the rhythm of her work. The undesirable results are eye-strain, backaches, nervous tension, and accelerated fatigue.

The copyholder removes these occupational "diseases." As the illustration shows, it holds the material to be typed directly before the operator's eyes. But it's more than just a matter of providing an easel for the typists' work. A good copyholder is adjustable for height, forward and backward adjustment for the individual's best focal distance, and may be angled to receive optimum light. In addition, by means of a simple lever next to the type bar on the typewriter, the operator can move her copy upward a line at a time, thus automatically providing a natural reference point should she have to look away.

The average copyholder can be installed in about five minutes. A few screws hold it in place, since it is affixed to the desk, rather than to the typewriter.

For a booklet on forward-reading and copyholders, Circle number 243 on the Reader Reply Card.



Copy holding devices can step up production 20% and more

explain
ten into
with an
Let's
inventor
insured
fire, yo
amount
the rub
policy
clause,
you are
you can
n't mat
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loss!

Is This

Does
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carrying
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What i

The
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methods
apr 1

Material for the above article was prepared by
A. E. Klein, Ph.D., a member of the Commercial
Education Faculty of the City College of New
York.

Beware of the co-insurance clause!

WHAT WOULD YOU COLLECT IN THE EVENT OF LOSS BY FIRE?

The best way to explain the co-insurance clause written into most fire insurance policies is with an actual example.

Let's say that you have a \$500,000 inventory. You have your inventory insured for \$100,000. After a serious fire, you discover that your loss amounted to exactly \$100,000. Here's the rub: because your fire insurance policy carries a 100% co-insurance clause, and in spite of the fact that you are *actually insured* for \$100,000, you can *collect* only \$20,000. It doesn't matter that you were carrying insurance equal to the amount of the loss!

Is This Unfair?

Does it sound unfair? Actually, it's not, and here's how the insurance company justifies its position on these matters. Few fire losses are total. In consideration of the reasonable rate at which fire insurance can be acquired, the companies believe the insured should be carrying enough insurance to maintain his true load from a risk position. Whenever he is carrying less than the true value of the property insured, he is—in effect—insuring himself for the remainder. In other words, he is actually in partnership with the insurance company in insuring against a total loss.

What is 100% Co-Insurance?

The 100% co-insurance clause simply means that you will collect, after

By Hubert A. Gerstman
Chartered Life Underwriter

a fire, in direct proportion to what you should have been carrying. The illustration above is an example of the 100% clause.

The most common percentage attached to a co-insurance clause is 80%, but many policies are written either at the 90% level or at the 100% level. In our viewpoint, the 80% level is the most practical. Before we proceed to explain why the 80% co-insurance clause is the most practical percentage to have in a fire insurance policy, it must be understood that 80% is the minimum percentage *demanded* by most fire insurance companies. In fact, fire insurance companies are so pleased to have the insured carry a 90% clause, or a 100% clause, there is an actual reduction in rates if the 90% clause or the 100% clause is attached to a fire insurance policy. To be specific, a 90% co-insurance clause generally results in a 5% rate reduction, whereas a 100% co-insurance clause usually results in a 10% rate reduction.

Fluctuation in Value

If an insured is carrying \$100,000 of fire insurance with a 100% co-insurance clause, he is warranting to the insurance company that the property being insured is worth exactly \$100,000. Should there be any fluctuation in value without an increase a claim to be made. For instance, the

insured's property could increase from \$100,000 to \$120,000 and if he would collect only \$83,333 after his were to sustain a \$100,000 loss, he loss because he was carrying only 83.3% of the amount of insurance that he should have been carrying. For this precise reason, it is apparent why the 80% co-insurance clause is the most popular with most insureds.

If an insured has an 80% co-insurance clause, he actually allows himself a leeway of 25% (from the original amount of insurance) in thinking of his collection at the time of loss. To be more specific, if the same insured mentioned in the last paragraph is carrying \$100,000 of insurance and has \$100,000 of value, with an 80% co-insurance clause, he is actually protected to the extent of \$125,000. We shall now prove our point.

What do you Collect?

To understand the last paragraph better, a demonstration of the principle of the 80% co-insurance clause will be given. The 80% co-insurance clause simply means that the insured has to carry enough insurance to equal 80% (or more) of the total value of the property being insured. Furthermore, the insured collects in direct proportion to the amount of insurance he should have been carrying, which is 80% of the original value at the time of loss. So, if an

insured has \$100,000 of property (and he knows that this amount is stationary), he can carry \$80,000 of insurance and be covered one hundred cents to a dollar for any loss between \$1,000 and \$80,000. We emphasize, however, that no insured under any circumstance will collect for more insurance than what he is actually carrying. So, the insured who is carrying \$80,000 of insurance would collect only \$80,000 of insurance if he had a \$100,000 loss. But most insureds in the United States should not worry about this possible shortcoming inasmuch as total losses are extremely rare. And, even if the insured desires to insure his entire value, we still think he is better off using an 80% co-insurance clause rather than a 100% co-insurance clause (in spite of the rate reduction with the latter) simply because the 80% co-insurance clause fully protects him in the event that the value of the property goes up to no greater extent than 25% from the original amount.

A few More Examples

Let us discuss a few more examples of the 80% co-insurance clause so that there will be no misunderstanding on the subject. In our first example, we shall assume that the insured has \$100,000 worth of merchandise and is carrying \$50,000 worth of insurance. If this insured suffers a loss of \$40,000 he is going to collect five-eighths of \$40,000 or

(next page, please)

\$25,000. By now, the arithmetic behind this current example should be obvious. Quickly stating the reason, the insured is carrying only 62.5% (five-eighths) of the amount of insurance he should be carrying. He should be carrying \$80,000 of insurance to comply with the 80% co-insurance clause. Instead, he is carrying \$50,000 of insurance, which is 62.5% of the proper amount. So, his collection will be 62.5% of the amount of the loss.

In our next example, we shall assume that the insured has \$100,000 worth of values, \$100,000 worth of insurance, and a loss for the amount of \$90,000. In this example, the insured will collect \$90,000. Even though there is an 80% co-insurance clause and the insured had to carry only \$80,000 worth of insurance, he will collect \$90,000 since he was carrying enough insurance. This is one example whereby the insured collects enough because he was carrying even more insurance than he had to carry.

In our last example, the insured is carrying \$80,000 of insurance, and has \$100,000 of value, and sustains a \$100,000 loss. Here the insured will collect \$80,000 because in no event does the insured collect more than the amount of insurance which he is carrying.

We have one insured who has a building worth \$500,000, conservatively speaking. He is carrying \$100,000 of insurance and has an 80% co-insurance clause. Since this insured should be carrying \$400,000 worth of insurance to satisfy the 80% coinsurance clause, he will collect only 25% of the amount of damage that he suffers in any loss. In our opinion, the insured is carrying so little fire insurance next to what he should be carrying, he is probably no better off with the fire insurance than without the fire insurance. This insured has been told many a time that his protection is not enough, but he keeps thinking in his own mind that he is actually carrying \$100,000 worth of fire insurance. In our opinion, he is carrying \$25,000 worth of fire insurance because that is the most he will ever collect. Unfortunately, he is paying for \$100,000 worth of insurance!

How much does it cost?

RESULTS OF FEBRUARY SURVEY

The tabulations below show the results of METHODS' first monthly survey of what American businessmen believe business equipment costs. The analysis of the March survey will appear next month. Answers to the survey on the opposite page will appear in the June issue.

If you have been participating in prior months, we hope you will continue. If you haven't sent in your guesses before, we hope you will do so this month. For your convenience, there is a postpaid reply card bound into the last pages of this issue.

As the results below indicate, most businessmen underestimated the cost of these particular items of office equipment. That means that when they do find out the true price, they'll probably think it is much too high.

Actually, this can be a dangerous line of reasoning. Business equipment has a *price*, but its *true cost* can be evaluated only in terms of what it will produce in dollar savings or greater efficiency. Without exception, good equipment, properly applied, will quickly pay for itself and, then, continue to pay an annual dividend.

Titles of Participating Readers

- 127 Financial Officers
(Comptrollers, Treasurers, Accountants)
- 89 Office and Personnel Managers
- 39 Corporate Officers (other than Financial)
- 30 Methods and Systems Directors
- 23 General Managers
- 21 Purchasing Officials
- 16 Sales Managers
- 7 Production Managers
- 22 Other



This steel conference desk actually costs:

\$200

40% guessed low

- 15% guessed 180-160
- 13% guessed 160-140
- 8% guessed 140-120
- 4% guessed under 120

39% guessed high

- 8% guessed 220-240
- 16% guessed 240-260
- 2% guessed 260-280
- 13% guessed over 280

21% were correct

Answers within 10% of the actual price were considered correct

Median estimate \$190
High estimate \$1200
Low estimate \$45



This dictating machine actually costs:

\$400

72% guessed low

- 20% guessed 360-320
- 11% guessed 320-280
- 11% guessed 280-240
- 30% guessed under 240

10% guessed high

- 2% guessed 440-480
- 3% guessed 480-520
- 1% guessed 520-560
- 4% guessed over 560

18% were correct

Answers within 10% of the actual price were considered correct

Median estimate \$300
High estimate \$825
Low estimate \$75



This electric adding-calculating machine actually costs:

\$600

31% guessed low

- 6% guessed 600-530
- 8% guessed 530-480
- 6% guessed 480-410
- 11% guessed under 410

38% guessed high

- 27% guessed 740-810
- 4% guessed 810-880
- 3% guessed 880-950
- 4% guessed over 950

31% were correct

Answers within 10% of the actual price were considered correct

Median estimate \$700
High estimate \$2000
Low estimate \$175



This non-descriptive accounting machine actually costs:

\$1400

77% guessed low

- 6% guessed 1260-1120
- 6% guessed 1120-980
- 6% guessed 980-840
- 59% guessed under 840

13% guessed high

- 2% guessed 1540-1680
- 2% guessed 1680-1820
- 1% guessed 1820-1960
- 8% guessed over 1960

10% were correct

Answers within 10% of the actual price were considered correct

Median estimate \$400
High estimate \$4000
Low estimate \$100

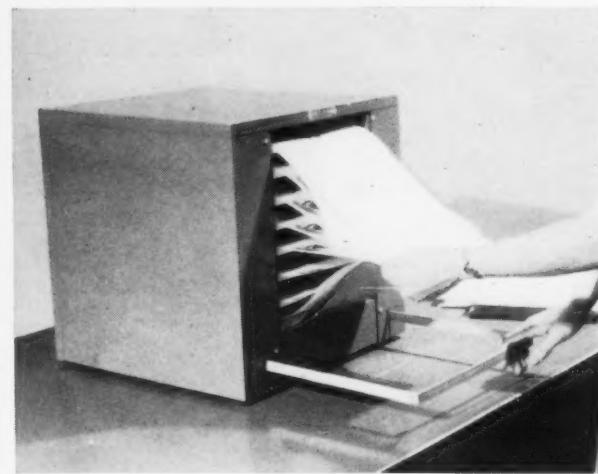
This back

This chin
paper

This is an executive chair with adjustable back rest and arm supports.



This is a table top mechanical collator which handles eight sets at a time.



HOW MUCH DOES IT COST?

How much do you really know about the cost of better methods? On this page you'll find a one-minute test. Four typical items, found in almost every office, are shown. Look them over, estimate their price, and jot your guess on the extra postpaid card bound into this issue. The month after next we will publish a tabulation of replies. You don't have to give your name—just your title.



This is an automatic electric stapling machine which is actuated simply by inserting papers.



This is a self-contained copying machine which is fully automatic, requires no dark room.

Circle 215 for more information

YOU CAN SOLVE 3 Phone Problems

VOICE PRIVACY Confidential business and personal matters are safeguarded from conscious and involuntary eavesdroppers. "Business leaks" and personal embarrassment are avoided.

OFFICE QUIET Executives and employees are not disturbed by phone talk clamor, or the strident voice of those who cannot phone without shouting. Office quiet means office efficiency — less annoyance — less nervous fatigue.

BETTER HEARING Surrounding noises—of office, factory, or traffic origin—are kept out of the transmitter and off the line, providing a quiet wire for clarity of transmission, and improved hearing at both ends of the line.



HUSH-A-PHONE

Has solved these problems for thirty years. Use coupon for surveys that will interest and inform you.

Attach to business card and receive

1. Survey "How Office Quiet Benefits You".
2. Survey "Phone Conversations Overheard".
3. Survey "Why We Use Hush-A-Phone".
4. Catalog of telephone and dictating machine use.

Mail Coupon to:

HUSH-A-PHONE Corp., 65 Madison Ave., N.Y. 16, N.Y.

WANTED



PROMPT ACTION ON YOUR PART, PLEASE when a change occurs that will affect your receiving METHODS on time.

Let us know, promptly, on changes in your title, address or company affiliation, so we can take the necessary steps that will result in the next issue of METHODS getting to YOU and ON TIME.

L. U. Wilson
Circulation Manager

office design *and* layout



HOW MUCH LIGHT IS NEEDED?

Representative levels of illumination, footcandles

Moonlight	0.02
Street Lighting	0.62 to 1.2
Daylight—	
north window	50 to 200
In shade outdoors	100 to 1000
Direct sunlight	5000 to 10000

Light needed on specific jobs (minimum), footcandles

Office lighting	30 to 50
Bookkeeping, typing & accounting	50
General meeting	30
Corridors & stairways	5
Reading & writing	30
Prolonged close work	50
Filing	30
Lobby & reception rooms	20
Mail sorting	30
Stenographic work	50
Vault	20

Not long ago, a two year test of office productivity was completed in Washington by the Public Buildings Administration of the Federal Works Agency. They wanted to find out just how important lighting was as a factor in work output. The old lighting in the building studied, gave an average of 10.5 footcandles. With new semi-direct fluorescent lighting, this level was raised to about 43 footcandles. As a result of the increase in illumination, it was discovered that on various punch card operations concerned with income tax returns, the over-all production increased from 20% to 25%. On another operation, the increase was 37.4%!

In other words, better lighting probably paid for itself the first week after it was installed.

How Much Light is Needed?

In the box shown here, you'll find a yardstick for how much light is needed on typical office operations. Actually, these are *minimum* requirements. Compared with the levels ordinarily encountered in nature, they are low. They are low not because low levels are satisfactory for critical seeing, but rather because of present limitations in our ability to produce higher levels comfortably and economically.

While *quantity* of light is important, it certainly does not insure good illumination. Factors like diffusion, glare, and color must be taken into consideration. The position of the light source must be carefully worked out. (*next page, please*)



BEFORE: Installed in the early days of fluorescent lighting, this arrangement furnished an average of only 8 footcandles at desk top level and resulted in shadowy, uneven illumination.



AFTER: Six continuous rows of fluorescent lighting provide a high level of uniform illumination for the open work areas. This new installation raised the footcandle level in the area 650 percent.

You pay for good lighting DO YOU GET IT?

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THAT WILL PAY YOU BACK IN DOLLARS



DRAFTING ROOM: Eliminating the necessity for individual desk lamps over each draftsman's table, overhead fluorescent lighting furnishes approximately 100 footcandles of illumination at desk level, uniformly distributed over 3100 square feet.



OFFICE: Despite a beamed ceiling, streamlined fluorescent lighting fixtures set in continuous rows give a high level of evenly diffused illumination throughout the newly decorated offices of the United States Guarantee Company.

Because good lighting must be compensated for many variables, there are very few hard and fast rules that can be offered as a guide.

Fluorescent vs. Incandescent Lighting

For most office applications fluorescent lighting is vastly superior. For one thing, it minimizes glare and shadows when *correct fixtures* are selected and properly installed. A 100 watt fluorescent lamp, for example, will deliver three times as much light with less than half the radiated heat of an incandescent bulb. In addition, a fluorescent lamp will last about ten times as long as an incandescent one. It has the further advantage, in most cases, of being the only method whereby light can be increased using the same basic service. Lighting experts believe that the economy factor alone will pay for a new fluorescent system in less than five years.

How Much Light is a Footcandle?

While it's not easy to properly evaluate the lighting in your office without scientific help, there are several rules of thumb that can be used for rough estimating. In small rooms, for example, lighting engineers will tell you that one watt per square foot gives 15 footcandles of light. Therefore a 16 x 25 foot room (400 square feet) requires 400 watts to give 15 footcandles of light. If the seeing task calls for 30 footcandles, you'll need two watts per square foot—or 800 watts. Using the chart herewith, you can estimate very roughly the level of illumination in your office, and how far it is from the norm. Obviously, the distribution of light must also be considered. A single lighting fixture could conceivably turn out 800 watts, but the light would not be disbursed to all parts of the room. For that reason the number of fixtures used will be an important factor in obtaining the proper illumination level throughout an office. In large, open areas where the reflection from walls and ceilings is not as effective as in a small room, the matter of fixture placement is much more important.

How to Arrange Fixtures

In general, to get uniform lighting throughout an area, fixtures should be placed as symmetrically as possible. Care must be taken, however, not to position a light source so that it falls in the direct range of vision of any of your workers. Glare can decrease productivity just as fast as insufficient lighting.

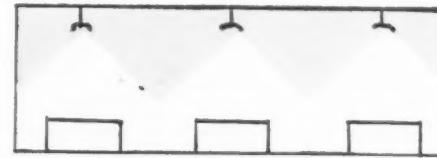
If you have a situation where certain employees require more concentrated light than others, another problem presents itself. Sharp contrasts are tiring to the eye. Generally speaking, "local lighting" should never be more than five times as bright as the general surrounding illumination.

Planning Your Office Lighting

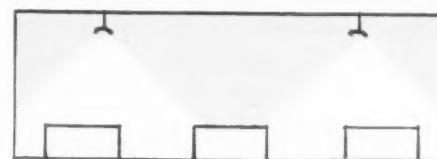
Because so many detailed factors must be considered in stepping up productivity through better lighting, it's advisable to let an expert assist you. Fortunately, this service is easily come by. Your local utility company has lighting engineers available to customers without cost or obligation. Lighting contractors offer the same service and customarily do not charge for it. These people will not only give you a plan, with its approximate costs, but can also assist you in the important task of selecting the colors and paints which act to give optimum results from any lighting installation.

For more information, Circle number 247 on the Reader Reply Card.

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Keeping inventories in balance

The number one problem facing many businessmen today is Inventory Control.

Inventory Control is not just a matter of getting scarce materials into the bins or stock shelves. Today many industries are piling up inventories at an alarming rate, seriously affecting their cash position.

Keeping Inventories in Balance

So far as the manufacturer is concerned, here's the heart of the problem. Abrupt changes in the availability of materials can quickly throw his inventory balance out of line. If one component part is delayed in delivery, other parts can pile up at an alarming rate—though the missing part renders them useless for immediate production.

Manufacturers who practiced careful inventory control in normal times are less affected by present conditions. But even these firms are obliged to introduce some new thinking into their controls, if they hope to keep their inventories in balance.

Watch Items in Short Supply

Purchase of production materials should be geared to those in shortest supply—not to hypothetical production schedules. If a manufacturer can cut all purchase commitments promptly when a key item grows

scarce, he won't pile up excessive inventories of other parts which can't be put into production. This practice has some dangers, however. With supply in a state of flux on so many items, it isn't well to cut forward commitments too drastically lest another shortage be produced in the near future. *In other words, the basic inventory control system must compensate for such variables and reflect them selectively.*

Go Slow on Substitute Materials

If you are thinking of using a substitute material, don't stock both it and the original material at the same rate. A mistake like that can build up large stocks, tie up a lot of money, and consume too much warehouse space.

Watch Your Lead-Times

Whatever system you use for controlling inventory, it must allow for changes in lead-time. What was an adequate lead-time a month ago may leave you wide open to bottlenecks today. A steady flow of current information on lead-times should find its way to your inventory control system on a daily basis.

Flag Changes in Specifications

A change in design can eliminate a given component in manufacture. Your control system should

prevent continued buying of such a part. About the only foolproof answer is a periodic check on stock movement. Not only will this prevent excess purchasing, but it spotlights items with no movement that can be cleared out, releasing working capital.

How to Get Good Inventory Control

There's no pat answer. The retailer, the wholesaler, and the manufacturer each has his own peculiar problems to overcome. But, while ways and means may vary, the basic principles of good inventory control are the same for all cases.

It is important to recognize that inventory analysis be continuing on every item stocked. Don't make the mistake of applying an average turnover across the board. Frequently the situation develops where a company does 80% of its activity on only a few items, while the rest of the stock moves slowly. If the truth were known, it would be found that overstocks in slow movers are tying up capital, while stocks of fast movers are starved and many "rush" orders must be placed on an emergency basis.

The important thing to remember is that there's a vast difference between mere *recording* information about inventory, and actually *controlling* it.

"I think . . ."

Nicholas Murray Butler once said that an expert was a man who knew more and more about less and less.

In this day of specialization, a magazine such as METHODS can't hope to be expert in all details of systems and procedures. That's one reason why we prefer to report case histories, rather than opinions.

To further insure accuracy and objectivity, we customarily submit all editorial matter to one of our Consultant Editors for review before it is set in type. But even this nice solution has hazards. Recently, after careful research, we prepared a story on Business Consultants. We interviewed several companies that had recently employed advisory specialists and got

their reactions. We talked with a large, small, and medium size consultant firm to obtain their approach in servicing clients. When the story was finally written, we submitted it to a man we thought unusually well qualified to assess its accuracy. He disagreed violently with some of the statements we made. We felt we possibly had not obtained a large enough sample of experience, so we sent a typescript to the controllers of five large corporations and asked for their confidential opinions as to whether or not the story should be carried in our next issue. Four of the controllers answered us, but only one felt the story should run as written. We decided, therefore, to present both sides of the story from the point of view

of the controller.

Through the cooperation of the Controllership Foundation of the Controllers Institute, we will carry a story on Business Consultants next month in our regular feature "METHODS Asks the Experts."

Apropos of this thinking, on Page 4 of this issue, you will find a new feature ("I think . . .") which will give us increased editorial latitude and give our readers a chance to agree or disagree as they see fit. If you or your company has had experience which confirms or contradicts material carried in METHODS, we hope you will write us about it. Your letter will be printed only with expressed permission, and we would like to use your name and title, if possible.

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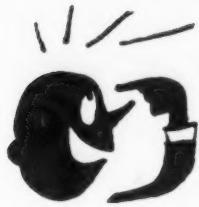
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